United Nations A/63/465

General Assembly

Distr.: General
2 October 2008

Original: English

Sixty-third session
Agenda item 118
Programme budget for the biennium 2008-2009

Construction of additional conference facilities at the Vienna International Centre and construction of additional office facilities at the Economic Commission for Africa in Addis Ababa, and improving and modernizing the conference facilities and construction of additional office facilities at the United Nations Office at Nairobi

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the construction of additional conference facilities at the Vienna International Centre and additional office facilities at the Economic Commission for Africa (ECA) in Addis Ababa (A/63/303) and on improving and modernizing the conference facilities and construction of additional office facilities at the United Nations Office at Nairobi (A/62/794).

2. During its consideration of the reports, the Committee met with representatives of the Secretary-General at Headquarters, as well as the Director of Administration (Officer-in-Charge) of ECA and the Director of Administration of the United Nations Office at Nairobi, who provided additional information and clarification.

II. Management of overseas building and maintenance projects

3. The Committee notes that the Office of Central Support Services is mandated to play a central role in providing integrated and coordinated management policy and guidelines and technical assistance to headquarters locations outside of New York in the implementation of building and maintenance projects. The Office has designated an officer at the P-4 level whose role is to supervise the overseas projects, with an emphasis on management oversight of the larger projects, such as

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the construction of new facilities at ECA and the United Nations Office at Nairobi (A/62/6 (sect. 32), para. 32.5). The Committee was informed that coordination of common concerns related to facilities management is facilitated through the Overseas Properties Management and Information Exchange Network (OPMIEN), which was established in 2000 on the basis of proposals of the Secretary-General outlined in document A/55/210 (see General Assembly decision 55/465). The network is composed of professionals designated as focal points at Headquarters and the various overseas duty stations who exchange information on best practices, common approaches and policy directives to enhance the safety, reliability, efficiency and operations of the facilities. It adopts a decentralized approach, based on collaboration and coordination.

4. The Committee was further informed that prior to the establishment of OPMIEN, responsibility for control and overall administration for overseas construction rested with the Overseas Property Management and Construction Unit, which was established in 1988. The Unit was also responsible for overseeing the planning, management and operation of all existing physical facilities of the Organization; developing databases for all major properties of the Organization and guidelines on space standards; reviewing long-range space requirements at all locations; and formulating and implementing long-range maintenance programmes at all locations. In particular, the Unit focused on providing management, guidance and technical support for the construction of conference facilities at ECA and the Economic and Social Commission for Asia and the Pacific and office facilities at Nairobi.

5. The Committee has consistently recommended that the Secretariat in New York exercise a coordinating role, ensuring a systematic approach to the management of United Nations facilities, construction and major maintenance. This approach would include an overview of the physical condition of the facilities, property valuations, facilities-related contracts, efficiency measures, maintenance and alteration/improvement projects and environmental concerns. **It is clear to the Committee from the reports of the Secretary-General on construction projects at ECA and the United Nations Office at Nairobi that the arrangements described in paragraphs 3 and 4 above for planning, managing and monitoring projects for the development of new facilities and major maintenance are neither adequate nor well-implemented. While OPMIEN may be a useful mechanism for the coordination and exchange of expertise, it does not provide for the required leadership. The Committee believes that there should be an Organization-wide perspective on the needs and priorities in relation to such development and for ensuring adequate support for duty stations involved in such work. Accordingly, the Committee recommends that the Secretary-General ensure that, through the Assistant Secretary-General for Central Support Services, those responsibilities are discharged.**

6. **The Committee is of the view that the current procedures for the approval of such projects do not provide for sufficient involvement of the General Assembly (see paras. 35-45 below). It therefore recommends that, for the future, the Secretary-General be requested to review current procedures and make proposals to improve them. The Committee also recommends that an annual progress report be a requirement for all ongoing projects.**

III. Vienna International Centre

7. In his report (A/63/303, sect. II), the Secretary-General provided an update on the status of the construction of additional conference facilities at the Vienna International Centre and on the progress made since the issuance of his previous report (A/62/358).

8. The Committee was informed that construction of the new facility (the M building) would be completed by the end of 2008, as planned. The United Nations Office at Vienna can now proceed with the installation of technical equipment and is in the process of assessing information technology needs in relation to security, building management and conference servicing. The handing over of the building and conference facilities to the four organizations based at the Vienna International Centre (the International Atomic Energy Agency, the United Nations Office at Vienna, the United Nations Industrial Development Organization, and the Preparatory Commission of the Comprehensive Nuclear-Test-Ban Treaty Organization) is to take place before the end of the year, as planned.

9. The Committee notes that the new building will be used as a swing space during the refurbishing of and removal of asbestos from the existing C building, which is expected to start within the next six months. Additional information provided to the Committee upon request indicates that 70 per cent of the asbestos has been removed and that this work is planned to be completed by January 2012.

10. It is indicated in paragraph 5 of the report that it will be necessary for the four organizations to share the additional maintenance and operational costs relating to the utilization of the building, as well as additional security and safety costs in order to meet the headquarters minimum operating security standards. Upon enquiry, the Committee was informed that the requirements relating to the security standards had been considered and discussed with host country authorities during the planning phase of the project. While the building and associated project documentation have not yet been handed over to the Vienna-based organizations, certain features required under the security standards, such as vehicle crash barriers and a vehicle stand-off zone, remain to be created. These and other pending issues will be communicated to the host country by the United Nations Office at Vienna. The Committee trusts that all planned security features will be implemented before the building is handed over to the Vienna-based organizations. Upon enquiry, the Committee was also informed that the construction conforms to host-country building codes and meets all legal, engineering and safety requirements.

11. The Committee was informed that the amount of $111,700 specified in paragraph 4 of its previous report (A/62/7/Add.9) equalled €100,000 calculated on the basis of the exchange rate in effect at the time. This represents the United Nations share of 4 per cent of the total contribution of €2.5 million of the Vienna-based organizations towards the construction costs for covering part of the cost of equipment and moveable furniture, as agreed in the memorandum of understanding of 18 October 2004.

12. **The Committee welcomes progress made towards the completion of the new conference facilities at the Vienna International Centre and the support of the host country for this project. The Committee recommends that the General Assembly take note of the report of the Secretary-General on the construction**

of additional conference facilities at the Vienna International Centre (A/63/303).

IV. Additional office facilities at the Economic Commission for Africa in Addis Ababa

13. The report of the Secretary-General is submitted pursuant to resolution 56/270, in which the General Assembly, inter alia, requested the Secretary-General to report on an annual basis on progress made in the construction of additional office facilities at ECA. It contains an update on actions taken to implement the project since the previous report (A/62/487).

Project schedule and status of development of the project

14. The project was initially approved by the General Assembly in its resolution 56/270. A brief history of the project is provided in paragraph 3 of the report of the Secretary-General. The Committee notes that the project has encountered significant delays owing to frequent revisions of its design and scope as well as a lack of technical expertise and delays in hiring appropriate staff to coordinate activities. A detailed timeline of the project is provided in annexes I to III below.

15. In the present report, the Secretary-General is projecting a further delay of nine months for the completion of the new office building for ECA, which is expected in May 2011 instead of August 2010, as previously planned. The Secretary-General indicates that the latest revision of the project schedule results from the delay in the final negotiations with the international architect in November and December 2007, delays in the hiring of a local architect to pursue the work, revisions of the construction documents, the required in-depth coordination of the tender documents and the extension of the bid submission date (A/63/303, para. 14).

16. The Committee was informed that as a result of the delays, two thirds of the staff of the United Nations Children's Fund (UNICEF) had been relocated to other premises as from 1 October 2007 because the ECA complex could not meet the growing needs of its enlarged country programme. However, ECA indicated that UNICEF intended to return to the complex when sufficient additional space became available to meet its minimum estimated need of 4,000 square metres.

17. In his previous report (A/62/487, para. 6) the Secretary-General outlined the difficulties encountered by the international architect in coordinating the project from abroad and the subsequent decision to hire a locally based architect for the construction phase of the project as a more cost-effective means of facilitating the day-to-day management of the project. The project timeline in annex I shows the impact of those difficulties on the project, from the initial delays in hiring the architect to the repeated need for reviews and revisions leading to cost escalation and delays. The Committee notes that the international architect was finally replaced in January 2008, long after it had become clear that the services provided were not adequate. **The Committee recommends that in the future efforts be made to evaluate and utilize locally available expertise.**

18. The Committee notes that a part-time local quantity surveyor service is being evaluated. The quantity surveyor will report directly to the Facilities Management Service at Headquarters to ensure independent control over the various aspects of

construction. Upon enquiry, the Committee was informed that the quantity surveyor would monitor construction progress weekly, review construction invoices on a biweekly basis and submit them to the Facilities Management Service for final approval and payment. **The Committee urges the Secretariat to expedite the hiring of the surveyor.**

Host-country addendum for duty-free and tax-free status and site works

19. From the report of the Secretary-General, the Committee notes that although actual site work has not yet begun, the Addis Ababa municipality remains committed to the timely construction of the alternate public access road, the removal of a storm drain and the relocation of service utilities before construction work on the new office building is planned to begin, in January 2009 (A/63/303, para. 9). Upon enquiry, the Committee was informed that ECA representatives had met with the representatives of the Ministry of Foreign Affairs and were also meeting on a weekly basis with the municipality and the Chief of Office of the Mayor. During a meeting on 2 September 2008, ECA was advised that the municipality had agreed to provide a temporary road by mid-October 2008, before the commencement of construction. The Secretary-General indicated that in the event that the access road is not relocated prior to the start of construction it would be necessary for ECA to build a temporary road at an additional cost to the United Nations. The Committee was also informed of the preliminary cost estimates for this work, which amount to approximately $900,000 for a permanent road and $300,000 for a temporary gravel road. **The Committee recognizes that the construction of an alternate public access road is a prerequisite for the start of construction of additional office facilities. It is concerned that any further delays could lead to cost escalation. It therefore reiterates its recommendation that the Secretary-General actively pursue the conclusion of the discussions on this matter so as not to further delay the construction project at ECA. The Committee also stresses that the cooperation of the host country will be critical for the completion of the project.**

20. With respect to paragraph 8 of the report regarding the host country's Directive No. 24/2008 on procedures for reimbursement of customs duties and the related value added tax (VAT), the Committee was informed that since the report was finalized, ECA had concluded its discussions with local authorities, who had insisted that ECA pay the value added tax on imported goods and that it would be reimbursed upon presentation of the appropriate documentation. In response to its request, the Committee received clarification from the Office of Legal Affairs on the payment of VAT under the lease agreement between the United Nations and Ethiopia. According to the Office, the lease agreement, which entered into force on 24 January 2007 and has a term of 99 years, fully exempts the Organization from the payment of such taxes in respect of land and premises.

21. **In the view of the Committee, this issue remains to be resolved. The Committee considers that its resolution is important for the project to proceed and urges all concerned parties to make every effort to address pending issues related to VAT procedures. It stresses that any further discussions on this matter should be held at a high level, with the active involvement of the Executive Secretary. The Secretary-General should be requested to ensure that the discussions are concluded in a timely manner.**

Project management and governance

22. The Committee was informed that the Secretariat had put in place administrative and coordination arrangements for the Facilities Management Service at Headquarters and ECA for the construction phase of the project. The arrangements provide for regular monitoring of the progress of the project through weekly teleconferences between ECA and the Facilities Management Service at Headquarters, as well as monthly project reports to be compiled by ECA and reviewed by the Director of Administration and the Executive Secretary and by the Facilities Management Service, the Programme Planning and Budget Division and the Procurement Division at Headquarters. In addition, as noted in paragraph 18 above, an independent quantity surveyor will monitor the progress of the construction on a weekly basis and report to the Facilities Management Service at Headquarters.

23. As regards lines of authority and responsibility for managing the ECA construction project, the Committee was informed that Headquarters exercises oversight in relation to the design and construction phases of the project, as well as control over funds. The local team at ECA, which includes the contracted local project manager, is responsible for the direct supervision of the project and day-to-day operations. The project manager reports to the Chief of the Facilities Management Service at ECA, who in turn reports to the Director of Administration and the Executive Secretary of ECA. The local project manager and the Chief of the Facilities Management Service at ECA report on the status of the project to the OPMIEN Facilities Coordinator at Headquarters (see also sect. II above).

24. The Committee notes the initiatives outlined in paragraph 22 above for improving oversight during the construction phase. **Nevertheless, it is concerned that in the six and a half years since the project was initiated, very little real progress has been made. It appears to the Committee that the project to construct a new office building at ECA has not been well managed locally or adequately supported by Headquarters. In addition, the requisite level of technical expertise has not been made available to this complex project and, as a result, there have been numerous technical flaws in the design and repeated revisions in the construction documents, entailing delays and cost escalation. The Committee is of the view that the numerous factors, flaws and inadequacies that have hampered the implementation of the construction project should be analysed and lessons learned so as to improve the management of similar projects throughout the Organization. The Committee is disappointed by the lack of accountability in overseeing and managing the project. In this connection, the Committee recalls paragraph 8 of its report on the accountability framework (A/63/457).**

25. **Furthermore, under the current arrangement, the distribution of responsibilities between Headquarters and ECA is not clear. In the view of the Committee, there is a need to improve the entire process and to deal comprehensively with leadership, responsibility and accountability issues. Accordingly, the Committee recommends that the management arrangements for the ECA project be clarified and improved immediately so as to ensure that the new timeline proposed in the report of the Secretary-General is implemented without further delay and that the new ECA office building becomes available for occupancy by mid-2011 as planned. It also recommends**

that the General Assembly request the Secretary-General to address any unresolved issues that could have a further impact on the smooth execution of the project, including the host country addendum for duty-free and tax-free status and site works (see paras. 19-21 above). Finally, the Secretary-General should be requested to report comprehensively on the actions taken to secure a positive outcome for this project in the context of the next progress report.

V. Improving and modernizing the conference facilities and construction of additional office facilities at the United Nations Office at Nairobi

Improving and modernizing the conference facilities

26. In its resolution 58/272, the General Assembly approved the improvement and modernization of the conference facilities at the United Nations Office at Nairobi in order to adequately accommodate major meetings and conferences, with an estimated total funding requirement of $3,479,000. The cost estimate was based on anticipated cost per square metre and was prepared without an architect or consultant. The initial design of the project included increased seating, a modern fully digital conference system, simultaneous interpretation facilities that are in compliance with International Organization for Standardization Standards and some upgrades to the physical facilities, including improved acoustics, ventilation and data distribution systems.

27. The Secretary-General indicated in paragraph 17 of his report (A/62/794) that the initial cost estimate of $3,479,000 had been revised to $5,378,000 following the preparation of a detailed design by a project consultant. According to the Secretary-General, the increase is mainly attributable to greater clarity regarding the full requirements as a result of the design and detailed breakdown of costs by the project consultant, an appreciation of 14 per cent of the local currency over the United States dollar since the inception of the project and additional technical requirements not originally anticipated, such as high-definition video compatibility, repositionable interpretation booths in rooms 3 and 4, modified ventilation and cooling systems, additional electrical infrastructure and a broadcast link to the press centre to provide coverage of proceedings.

28. The Committee was informed that a tender had been initiated in 2007 for conference and interpretation equipment and that a contract had been awarded that included a provision for penalties if the contractor was not permitted to access the site to complete full installation of all conference and interpretation equipment by December 2008. A tender for the refurbishment of all existing conference room furniture had also been issued, and a contract was awarded for those works. The United Nations Office at Nairobi was unable to successfully conclude a tender for construction works.

29. In his report, the Secretary-General provided various reasons for the delays in the implementation of the modernization of the conference facilities (A/62/794, paras. 6-8). **The Committee is of the view that the assumption that the project could be designed internally by the United Nations Office at Nairobi without external expertise reflected insufficient planning and understanding of the scope of the project, as well as insufficient guidance from Headquarters.**

30. On 29 August 2008, subsequent to the issuance of the report and immediately preceding its consideration, the Committee was informed that the time frame of the modernization project was limited because of the usage of the system for scheduled conferences throughout the year and because the Governing Councils of both the United Nations Environment Programme and the United Nations Human Settlements Programme were scheduled to meet in early 2009 (see annex IV). This left, according to the Secretariat, two alternatives: to implement a reduced-scope modernization scheme during the period from September to December 2008 or to delay the project again until at least late 2009. The best alternative, as indicated, would be to go ahead with a reduced-scope project now, as the existing conference facilities were in such poor condition that it was necessary to take immediate action.

31. According to the Secretariat, the reduced-scope project would ensure that a full upgrade of the required electrical infrastructure and the related conference and interpretation equipment was undertaken as well as the refurbishment of the conference room furniture and upgrading of the lighting. None of the architectural, structural, civil or mechanical changes that had been previously envisaged would be made at this stage. Moreover, it was indicated that by reducing the scope of the project, the required resources would also be reduced, from $5,378,000 to $3,479,000, the amount originally approved for the project under the terms of General Assembly resolution 58/272, and that therefore the actions outlined in paragraph 49 of the report of the Secretary-General were no longer necessary.

32. **The Committee recognizes the need for urgent measures to implement the project as soon as possible and therefore recommends approval of the reduced-scope project, estimated at $3,479,000. The Committee regrets, however, that the reduced-scope project will provide a lesser degree of improvement and modernization of the facilities than was originally envisaged. In this connection, the Committee draws attention to the comments and observations of the Board of Auditors on the deficiencies of the facilities at the United Nations Office at Nairobi (see A/63/5 (vol. I), chap. II, para. 237).**

Construction of additional office facilities

33. According to the Secretary-General, the underlying need for the further expansion of the United Nations premises at Nairobi stems from General Assembly resolution 44/211, in which the Assembly called upon all organizations of the United Nations system to make the necessary arrangements for the implementation of the United Nations common house concept for establishing common premises at the country level. In line with that resolution, the regional, subregional and country offices of the United Nations specialized agencies, funds and programmes still remaining in downtown Nairobi were to be relocated to the United Nations compound. The need for such relocation was also prompted by the complex security situation in Nairobi.

34. In October 2001, the Secretary-General submitted a report to the Committee on United Nations office accommodations at Nairobi in which a need was identified for 11,045 square metres of additional space at the United Nations Office at Nairobi. The preliminary cost of construction was estimated at $13.4 million, based on the cost of construction in Nairobi in 1993. Based on a cash analysis at the time, it was projected that rental income of the United Nations complex in Nairobi from 2005 to 2008 would be utilized to fund the project. The Secretary-General therefore sought

the concurrence of the Committee for the initiation of the pre-construction phase of the project and authority to enter into commitments up to the amount of $1.4 million. According to the Secretary-General, on the completion of the pre-construction phase, detailed project documentation was to be submitted to the Committee for its review, along with proposals for the timetable of the construction phase of the project. The Committee communicated its concurrence with the Secretary-General's request concerning the pre-construction phase of the project on 12 December 2001. **The Committee regrets that in the intervening period between 2001 and 2008 no detailed design and cost estimates have been provided to it as was done by the Secretary-General in the initial proposal for the pre-construction phase.**

35. The Secretary-General indicates in his report that the arrangements for the approval of construction projects are in accordance with the recommendations of the Committee in its reports contained in documents A/36/643 and A/38/7/Add.1, para. 25. **The Committee is concerned that the current procedures are not sufficiently clear as to the roles and responsibilities of all involved in such projects. It therefore recommends a review of the procedures taking into account the experience gained so far. Proposals for improving the procedures should be submitted to the General Assembly at its sixty-fourth session in the context of the proposed programme budget for the biennium 2010-2011.**

36. The Committee notes that a request for a proposal for architectural services was issued in December 2002 and that a contract was awarded on 4 December 2003 (see A/62/794, para. 26). The Committee notes the lack of explanation in the report as to why it took so long to issue a request for a proposal for architectural services and to award a contract. The Committee also notes that owing to significant failings on the part of the contracted architectural firm over a two-and-a-half-year period, a decision was ultimately made to terminate the contract in July 2006. Further delay ensued pending a settlement with the architectural firm, which was subsequently concluded in December 2006 on the recommendation of the Office of Legal Affairs, and the United Nations took full possession of the work product of the company (ibid., para. 30).

37. With regard to architect's fees shown on line 1 of table 4 of the report, the Committee was informed that the contract with the first architect was for an amount of €780,000, the amount paid to the architect as at September 2006 was €310,758 and the final settlement amount was €81,802. The Committee was also informed that the first architect had completed the detailed design but not the construction documentation. In early 2007 a new request for architectural services was issued locally in Nairobi and a contract was awarded in September 2007 to a new architectural firm.

38. The Committee was informed that since the contract was signed with the new architectural firm in September 2007, full tender documentation (drawings and bills of quantities) had been completed and was ready for tender, now planned for October 2008, pending approval of the revised cost estimate of the project by the General Assembly. According to the Secretariat, the tender is expected to be concluded by the end of 2008, construction is expected to start in January 2009 with a completion date of end of 2010 and occupancy is planned for January 2011.

39. As indicated in paragraph 34 of the report, a new space survey was conducted by the United Nations Office at Nairobi in August 2007 as a result of which the

shortfall of space is now estimated at 17,413 square metres. Based on the findings of the survey, a new three-story office building is proposed, comprising 16,500 square metres of usable office space. The difference of 913 square metres between the total projected requirements and total space provided by the proposed construction will be met through further rationalization of overall office space. Upon enquiry, the Committee was informed that the building cost estimate of $18.7 million shown in line 2 of table 4 of the report was based on a formal agency estimate prepared by the quantity surveyor, who is part of the new architect's consultant team. The quantity surveyor agency estimate has been calculated from the detailed bill of quantities, which is based on the finalized construction drawings and documentation for the revised office building. The Committee was informed that the cost of net usable office space per square metre is $1,133 and the cost of the total gross built-up area is $935 per square metre.

40. The estimates in table 4 of the report include a provision of $1,119,200 to cover security requirements in the biennium 2008-2009 related mainly to general temporary assistance and overtime for 14 security officers for the period from September 2008 to December 2009. **The Committee recommends that updated estimates to be submitted to the General Assembly (see para. 45 below) demonstrate a close link between security requirements and the construction schedule.**

41. The Committee notes that the cost of the revised construction project is now estimated at $25.2 million. According to the Secretary-General, the increase in cost reflects the fact that the original estimates relied on previous construction experience of the United Nations Office at Nairobi from 1993, which were already outdated at that time. The revised cost estimates take into account construction cost inflation over more than 14 years. The appreciation of local currency against the United States dollar as well as increased requirements for the building (security-related upgrades and engineering and electrical upgrades) also contributed to the revised cost estimates.

42. As indicated in paragraph 44 of the report, as at 31 December 2007, the accumulated balance of the construction-in-progress account amounted to $9,773,200 as available funding for the project, including $8,975,000 as accumulated rental income from 2004 to 2007 and $798,200 as interest income accrued to the rental income. The Secretary-General indicates that to meet the revised project cost of $25,252,200, additional future rental revenues of $15,479,000 will be required to fund the balance.

43. Accordingly, the Secretary-General proposes that the construction of additional office facilities at Nairobi, at a total revised estimated cost of $25,252,200 (at current prices), be funded from a combination of: (a) accumulated rental income ($8,975,000) and interest income ($798,200); (b) future rental income earned over the next five years (2008-2012); and (c) future interest income generated by rental income in the construction-in-progress account. Once all costs have been covered, rental income in Nairobi will revert to and be disclosed in income section 2, General income, of the proposed programme budget for the relevant biennium. According to the Secretary-General, this will occur during 2012.

44. **The Committee is concerned about the significant management and other problems that have affected this construction project, both at the United Nations Office at Nairobi and in New York. The delays have contributed to**

losses in terms of both time and resources. The Committee stresses that strict internal control measures should be put in place and competent leadership should be assigned to the project. In this connection, the Committee draws attention to its report on the accountability framework (A/63/457).

45. **The Committee expects that the concerns expressed in the present report will be addressed. In view of the importance of the project, the Committee recommends approval of the Secretary-General's proposals on the construction project at the United Nations Office at Nairobi contained in paragraphs 49 (d) and (e) of his report. The Committee notes, however, that the bidding process scheduled for October 2008 (see para. 38 above) may affect requirements. It therefore recommends that updated estimates be submitted to the General Assembly at the time of its consideration of the issue. The Committee further recommends that progress reports on the construction project at the United Nations Office at Nairobi be submitted to the Assembly annually.**

Annex I

Timeline of the new office building project at the Economic Commission for Africa in Addis Ababa

A. Completed activities

Period	*Documents*	*Remarks*
2000-2001	A/56/672, sect. II	Office space survey by ECA.
May 2002	Resolution 56/270	Project approved by the General Assembly, with a total area of approximately 6,770 square metres and utilization of $7,711,800, to be financed from within the available balance of the construction-in-progress account. The Assembly requested that progress reports be submitted on an annual basis.
2001-2002	A/56/672; A/56/711	Conceptual design/funding request.
2002-2003	A/57/322	Tender for professional architectural and engineering services.
2002-2003	A/58/154	Re-tender for professional architectural and engineering services due to poor quality of responses received.
June 2003	A/58/154	Construction architect recruited to act as project coordinator at ECA, establishing the basis for the Project Coordination Unit to begin functioning.
June 2003	A/59/444	Allocation of additional land by host country.
2004-2005	A/59/444	Design phase.
	A/59/444	Design revisions due to:
		– Building repositioning
		– Requirements under the minimum operating security standards.
2006-2007	A/60/532; A/61/158; resolution 60/248, sect. VII; A/60/7/Add.21	Design revisions due to additional scope to add 2 floors with a total capacity of 9,550 square metres at a total estimated project cost of $11,383,300.
24 Jan. 2007	A/61/158, sect. II	Additional land lease signed with host country.
Apr. 2007		Arrival of project coordinator selected in October 2006 after a delay of 6 months. In the absence of the project coordinator, work on the design and other revisions was suspended.
Apr.-June 2007	A/62/487	Design and additional revisions for:
		– Positioning of elevator
		– Electrical circuitry in the structure

Period	Documents	Remarks
		Other associated minor changes entailed cost escalation and required amendment to the initial contract with the international architect. A series of negotiations was conducted with the architect and an agreement was reached in mid-2007.
	Resolution 62/238; A/62/7/Add.11	The General Assembly endorsed the recommendation of the Advisory Committee for a total revised estimated project cost of $14,333,100.
June-Aug. 2007	A/63/303	Preliminary construction documents were delivered by international architect in August 2007.
Sept. 2007	A/63/303	Construction document review.
Oct.-Dec. 2007	A/63/303	Construction document revisions: further revision of the mechanical information in the drawings of the international architect.
Dec. 2007	A/63/303	Final construction documents accepted in December 2007 from the international architect as part of the final contract negotiations, with a delay of 5 months (initially planned for August 2007).
Jan. 2008	A/63/303	The local architect was hired to continue work on construction documents and initiate tender with 5 months' delay owing to contract negotiations with the international architect. An additional period of 5 months was required to complete the construction tender document coordination and procurement process.
20 May	A/63/303	Construction tender issued.
6 June 2008	A/63/303	Bidders' conference held in Addis Ababa. Bid submission date extended from mid-July to mid-September.
12 Sept. 2008	A/63/303	Construction tender bids due for submission.

B. Planned activities

Period	Remarks
Sept. 2008	Technical review of bids received.
Oct.-Nov. 2008	Financial review of bids received and Headquarters Committee on Contracts review.
Nov.-Dec. 2008	Contractor negotiations.
Dec. 2008	Contract signing.
Dec. 2008-Nov. 2010	Construction phase.
Nov. 2010-May 2011	Interior set-up.
May 2011	Occupancy.

Annex II

Timeline of the parking structure project at the Economic Commission for Africa in Addis Ababa

Period	*Documents*	*Remarks*
2007-2008	A/62/487; resolution 62/238	Funding request and approval.
Oct. 2008	A/63/303	Finalization and introduction of policy for parking.
Oct. 2008	A/63/303	Study on the incorporation of this structure and the associated landscaping in relation to the new office building.
Nov. 2008-Feb. 2009		Tender for design services.
Mar.-Aug. 2009		Design phase.
Sept. 2009-Mar. 2010		Construction tender and Headquarters Committee on Contracts review.
Apr.-May 2010		Contract negotiations; signing of construction contract — 1 week.
Aug. 2010-July 2011		Construction phase.
Aug. 2011		Occupancy.

Annex III

Timeline of the landscaping project at the Economic Commission for Africa in Addis Ababa

Period	*Documents*	*Remarks*
2007-2008	A/62/487; resolution 62/238	Funding request and approval.
Feb.-May 2009		Tender for design services.
June-Nov. 2009		Design phase.
Dec. 2009-May 2010		Tender for construction; signing of construction contract: 1 week.
Aug. 2010-May 2011		Construction.
May 2011		Completion.

Annex IV

Letter dated 29 August 2008 from the Director of the Programme Planning and Budget Division of the Department of Management of the Secretariat to the Chairperson of the Advisory Committee on Administrative and Budgetary Questions

Dear Ms. McLurg,

I refer to report A/62/794 on the construction projects in Nairobi that the ACABQ is due to consider on Friday September 5 2008 and provide the following update since the publication of the report in April 2008. This letter provides specification on that part of the report that refers to the modernisation of the conference facilities in the light of circumstances.

The timeframe to undertake the modernisation project is limited due to the usage of the system for scheduled conferences throughout the year. The time constraint to implement the project as soon as possible is significant given that the Governing Councils for both UNEP and UN-HABITAT are scheduled to meet in early 2009. This leaves two alternatives - implement a reduced scope modernisation during the period September to December 2008 or delay the project again until at least late 2009.

After consideration of the options, it has been determined that the best alternative is to go ahead with a reduced scope project now as the existing conference facilities are in such poor condition that it is necessary to take immediate action. The project will now ensure that a full upgrade of the required electrical infrastructure and the related conference and interpretation equipment is undertaken as well as refurbishment of the conference room furniture and upgraded lighting. No additional architectural, structural, civil or mechanical related changes that were previously envisaged will be made at this stage.

By reducing the scope of the project the necessary resources will also be reduced from $5,378,000 to $3,479,000, the amount originally approved for the project in A/RES/58/272. Therefore the actions outlined in paragraph 49 a, b and c are no longer necessary.

I would appreciate if this update of the project could be brought to the attention of the Committee when it considers the report.

(*Signed*) Sharon **Van Buerle**
Director, Programme Planning
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